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C O N F I D E N T I A L SECTION 01 OF 02 ISTANBUL 000522

SENSITIVE
SIPDIS

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TAGS: [FAIR](#) [IZ](#) [PGOV](#) [TU](#)
SUBJECT: TURKISH AIRLINES TO RESTART DIRECT FLIGHTS TO
BAGHDAD

Classified By: Classified By: Consul General Sharon Wiener; Reason 1.4
(b) and (d).

¶1. (C) SUMMARY: Turkey plans to begin flights this month between Istanbul and Baghdad, ending a 12 year hiatus. On September 16 a nine member Turkish team arrived in Baghdad and found the facilities sufficient for regularly scheduled flights. Operating costs in Baghdad are expected to be significantly higher than in other cities since only contracted labor will be used and aviation fuel will be provided by tanker. This move signals GOT's commitment to develop a better relation with Baghdad since the venture is expected to be a "net loser" for the government owned Turkish Airlines (THY). END SUMMARY.

¶2. (SBU) Captain Mehmet Ozkurt, Director of Operation Coordination for (THY), said the airline intends to start direct flights between Istanbul and Baghdad (BIAP) on October ¶26. In a meeting on September 25, Ozkurt, who heads a THY team responsible for new route feasibility studies, told us THY intends to schedule three roundtrip flights per week with no overnight stay in Baghdad. The resumption will end a 12 year hiatus for THY scheduled flights to Baghdad.

¶3. (C) According to Ozkurt, the GOT requested that THY initiate negotiations to start flights into Baghdad. Ozkurt confided to us these flights are not commercially viable, alluding that the government made a political decision in pushing for resumption. Ozkurt said providing better transportation for Turkish officials to Iraq was a primary concern. High ticket prices and getting a head start into a potentially lucrative Iraqi market will help offset the large economic costs for THY, according to Ozkurt, but overall this was not a sound business decision.

¶4. (SBU) Ozkurt said a nine member Turkish team, which included civilian and military officials, visited Baghdad on September 16 to assess conditions at the airport. Ozkurt, who piloted this flight, said the Turkish delegation found the BIAP security standards and checkpoints at accesses to the airport acceptable and overall coordination with Baghdad was excellent. Turkey's Ambassador to Iraq, Derya Kanbay, also attended the meeting and agreed to make necessary improvements to provision of visa services at the embassy in Baghdad to facilitate transit of passengers via Istanbul to Europe.

¶5. (SBU) Ozkurt said the high cost of insurance is a significant obstacle for THY, yet he will meet with the

insurance provider on October 23 to argue that sufficient safety measures are in place. He will negotiate for a fifty percent rate reduction in the insurance premium if THY can provide accident free service by year's end and plans to sign off on these flights by October 26 provided he feels confident about aircraft safety. Ozkurt worried about the risks posed to THY's reputation if something happened to one of their aircraft on the route.

¶6. (SBU) Ozkurt said air coordination will be handled through Established military procedures since the number of commercial flights to BIAP is relatively low. Generally, planes need to spiral to descend or use other landing procedures to avoid a potential terrorist shoot down of the plane.

¶7. (SBU) No Turks will be in Baghdad to run the THY office and THY will rely solely on contracted labor. This will increase the cost of running operations from the Iraqi side, which will include hiring a private firm for security. Ozkurt believes BIAP will ensure the private firm hires reputable guards. While BIAP landing fees are similar to other airports, Ozkurt said THY will need to have aircraft fuel brought into BIAP via tanker due to questionable local supply reliability, significantly increasing operating costs.

¶8. (C) Comment: GOT interest in establishing a non-economically viable route underscores Ankara's clear desire for improved cooperation with Baghdad. The flights are a vote of confidence for the Iraqis, and could encourage other airlines

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to follow suit. These flights will also provide Turkish officials with relatively easy access to the Iraqi capital, thus giving the Turks a leg-up in their interactions with Iraqi officials.

WIENER